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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/618,249	07/11/2003	Francis B. Brake JR.	47004.000251	4607
7590	04/25/2006			EXAMINER HARBECK, TIMOTHY M
Thomas J. Scott, Jr. Hunton & Williams, Patent Dept. Suite 1200 1900 K Street Washington, DC 20006-1109			ART UNIT 3628	PAPER NUMBER
			DATE MAILED: 04/25/2006	

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)
	10/618,249	BRAKE ET AL.
	Examiner	Art Unit
	Timothy M. Harbeck	3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) Responsive to communication(s) filed on 03 March 2006.
- 2a) This action is **FINAL**. 2b) This action is non-final.
- 3) Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) Claim(s) 1 and 35-59 is/are pending in the application.
 - 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) Claim(s) _____ is/are allowed.
- 6) Claim(s) 1, and 35-59 is/are rejected.
- 7) Claim(s) _____ is/are objected to.
- 8) Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) The specification is objected to by the Examiner.
- 10) The drawing(s) filed on _____ is/are: a) accepted or b) objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
 - a) All b) Some * c) None of:
 1. Certified copies of the priority documents have been received.
 2. Certified copies of the priority documents have been received in Application No. _____.
 3. Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) Notice of References Cited (PTO-892)
- 2) Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____
- 4) Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____
- 5) Notice of Informal Patent Application (PTO-152)
- 6) Other: _____

DETAILED ACTION

Claim Rejections - 35 USC § 112

The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 1 and 35-59 are rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. The newly added limitation to claims 1 and 59 that states "wherein information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID," constitutes new matter as it was not originally described in the specification. There is a brief mention of 'visible printing' on page 7 of the specification (customer name) and 'embossing' on page 10; however there is never a discussion wherein the machine readable format *consists of* a magnetic strip, an embossment, visible printing and RFID as defined by the new limitation.

The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Claim 1 is rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention. The preamble has been amended to recite a multi value card "having a primary feature and at least one secondary feature." However in the body of the claim there is a limitation that recites the customers "election to add a secondary feature." These two statements are contradictory in that in one instance the card is required to have a secondary feature and at the same time the customer has the option of activating the secondary feature, which implies that the customer is not required to do so. It is unclear whether the card must contain a secondary feature or whether the customer has the option of adding the secondary feature. For the purposes of examination the examiner has assumed that the card has both a primary and secondary feature.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1 and 35-59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Cunningham (US Pat 6,014,645) in view of "Visa, MBNA and De La Rue Launch Multi-Function Smart Card Program," De La Rue Pic 7/06/1998 (hereinafter De La Rue).

Re Claim 1: Cunningham discloses a method using a computer system for a real time customer activation of a value card having a primary feature wherein the system automatically processes a customer's activation of the value card (Column 2, lines 9-29), said system including a data entry processing center, a workstation, a graphical user interface, and a data storing means (SEE FIG 1) comprising the steps of:

- Receiving said customer's request into said system (Column 2, lines 15-19)
- Providing at least one or more safety features to determine whether said customer is the person whose name is printed on said transaction card (Column 3, lines 23-26)
- Activating the transaction card by confirming the customers desire to activate the primary value card use (Column 4 line 65-Column 5 line 5)

Cunningham does not explicitly disclose the steps

- Wherein the value card is a multi-value card having a primary feature and at least one secondary feature; and

Wherein the steps of offering the options of activating the transaction card by

- Determining the customer's election to add a secondary credit card feature; and
- Identifying the customer's request to activate any additional features

De La Rue discloses a Visa smart card that will place the functions of several traditional bankcards onto a single microchip (single card). These additional features include a credit feature, a stored cash feature and a rewards program. It would have

been obvious to anyone skilled in the ordinary art at the time of invention to include the teachings of De La Rue to the disclosure of Cunningham to create a real time credit card application system and method that would include a multifunction credit card. The system of Cunningham, while originally adapted to automatically apply and activate a traditional credit card would be well served to adapt the system to allow customers to activate the multi-purpose card with multiple functions because many customers would be interested in having this type of card as opposed to many separate cards in an effort to streamline their financial transactions onto one source as opposed to many separate sources. This is the next step in the evolution of the credit card and if the system did not adapt to these changes, customers would seek out a different system that would better suit their needs.

Finally Cunningham and De La Rue do not explicitly disclose the step wherein

- Information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID

However, while De La Rue discloses the use of a smart chip feature, this is disclosed as a substitution for the "traditional magnetic stripe bankcards. (Page 2)." Therefore it would have been obvious to anyone of ordinary skill in the art to substitute the smart chip feature for the more traditional magnetic stripe as a simple design choice. Since the magnetic strip cards are more familiar to most merchants, most

would be more comfortable with this format initially, at least until the smart chip card is widely implemented.

Re Claim 35: Cunningham discloses a computerized (SEE FIG 1) real time financial card application system comprising:

- A first activation activating at least one feature of the multi value card (Column 2, lines 9-29; activation is inherent in the acceptance of the offer)
- Allowing the customer to use the multi value card as a card having only said at least one feature (Column 2, lines 24-26). The step of accepting an offer indicates the customers intention to use the features of the cards (i.e. credit or debit feature)

Cunningham does not explicitly disclose wherein the value card is a multi value card nor does Cunningham disclose the step of offering to the customer a subsequent activation of the multi value card to add at least a second feature. De La Rue discloses a Visa smart card that will place the functions of several traditional bank cards onto a single microchip (single card). These additional features include a credit feature, a stored cash feature and a rewards program. It would have been obvious to anyone skilled in the ordinary art at the time of invention to include the teachings of De La Rue to the disclosure of Cunningham to create a real time credit card application system and method that would include a multifunction credit card. It would be obvious then that a customer would have the ability to activate the different features that they desire so that they can have a single transaction card that is capable of performing many different functions. If the customer were not offered the activation of subsequent features, then

the card would be no better than the traditional card from which the new card seeks to improve.

Finally Cunningham and De La Rue do not explicitly disclose the step wherein

- Information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID

However, while De La Rue discloses the use of a smart chip feature, this is disclosed as a substitution for the "traditional magnetic stripe bankcards. (Page 2)."

Therefore it would have been obvious to anyone of ordinary skill in the art to substitute the smart chip feature for the more traditional magnetic stripe as a simple design choice. Since the magnetic strip cards are more familiar to most merchants, most would be more comfortable with this format initially, at least until the smart chip card is widely implemented.

Re Claim 36: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein said features enable the customer to establish direct relationships with different companies (Entire article, specifically paragraphs 2 and 4)

Re Claim 37: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein at least one feature offered for activation is a transaction card enabling the customer to establish a direct relationship

with an individual company (See paragraph 4; rewards features at particular merchants represent a direct relationship with an individual (particular) company)

Re Claim 38: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses wherein at least one feature offered for activation is a credit card feature (Column 1, lines 15-17).

Re Claim 39: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein at least one feature is a rewards feature (Paragraphs 2 and 4)

Re Claim 40: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing sending the customer a card imprinted with the customers name in a direct mailing marketing piece, Cunningham does disclose the use of direct mailing for transaction cards (Column 1, lines 15-42) and it was notoriously well known, and therefore obvious to anyone skilled in the ordinary art at the time of invention, to include a preprinted card with the direct mailing information so as to expedite the time in which a customer can actually use the card. Without the preprinted card, the customer would have to wait for an additional piece of mail containing the physical card with their name.

Re Claim 41: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses the step wherein at least one feature activated during said first activation is a transaction card feature and at least one feature activated in a subsequent activation is a credit card feature (End of Paragraph 1)

Re Claim 42: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein said transaction card feature includes a rewards feature (End of Paragraph 1).

Re Claim 43: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein said rewards are based on a percentage of total amount spent during each transaction, this method for distributing rewards points on a credit card is notoriously well known in the art and would therefore be obvious. In providing this method for distributing rewards points, customers are encouraged to spend more, with the idea that they will "get more back" in return.

Re Claim 44: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at a specific vendor (Paragraph 4; see dinner entrée example)

Re Claim 45: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at several vendors (Paragraph 4; "merchants").

Re Claim 46: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards feature can be redeemed or spent at any vendor or merchant who accepts the logo printed on the transaction card (paragraph 4).

Re Claim 47 and 48: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses wherein the rewards are credited against at least one of the other features of the card (paragraph 4; This essentially

defines the rewards feature; purchasing a product with rewards points reduces the secondary credit balance up to the amount of the purchase).

Re Claim 49: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the customer must agree to establish a credit account with a payment amount source in order to activate the primary transaction card use, De La Rue discusses the combination of a credit, stored value and loyalty functions onto a single smart card (paragraph 1), which means that these accounts are in fact established with a payment amount source prior to any other use.

Re Claim 50: As previously noted in the rejection of Claim 8, the multi function smart card combines the credit (credit card), stored value (debit card) and loyalty functions onto a single card, which establishes the payment amount sources as these particular cards. While not explicitly disclosing that the payment amount source is a check, it was well known in the art at the time of invention that often times a debit card is linked to a standard checking account, from which paper check can be written, and in a sense a debit card is just an electronic version of a paper check.

Re Claim 51: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the customer may automatically recharge the primary amount source when the payment source is depleted, this step was well known in the art at the time of invention. It has previously been established that the payment source can be either a debit card or a personal check that are almost always linked to a standard checking account a particular bank. The step of automatically recharging the amount source when the payment source is depleted is

therefore just a simple deposit of money into the account through an automated means such as a automatic deduction from a paycheck that is normally directly deposited in to the account, a process that was notoriously well known in the art.

Re Claim 52: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing wherein the payment amount source is the secondary credit card feature, it was established in the rejection of claims 10-12 that the payment amount source may be one of a credit card or debit card. De La Rue discloses that the multi purpose card can have a credit / stored value hybrid card, wherein the stored value card acts as the secondary feature. It would therefore be obvious, through the transitive property, that if the debit card can be the payment amount source as the secondary credit feature.

Re Claim 53: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses wherein said activation steps include the use of telephone, Internet, personal computer means or a combination thereof (Column 2, lines 15-17)

Re Claim 54: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing mailing a direct marketing mail piece containing an inactive multi value card and directing the customer to contact the automated activation process center to activate the card, Cunningham does disclose the use of direct mail marketing (Column 1 lines 15-42), and it was well known in the art at the time of invention that direct mail marketing for credit cards includes an inactive card as well as instructions for activating said card. It therefore would have been obvious to anyone

skilled in the ordinary art to include this feature with the disclosure of Cunningham in view of De La Rue so that the additional steps of mailing an active card to the customer can be eliminated, therefore making the process much more efficient.

Re Claim 55: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing the step of initiating an automatic numbering identification system, this process was old and well known in the art at the time of invention as a way to relate specific customers to a specific transaction card or account. If a numbering identification system were not present, it would be difficult to track customer accounts and also leave customers vulnerable to fraudulent activities from third parties.

Re Claim 56: Cunningham in view of De La Rue discloses the claimed method supra and De La Rue further discloses the step wherein said first activation includes offering the customer an option to activate a primary transaction card feature, a credit card feature, an additional feature or combinations thereof (Paragraphs 1-2).

Re Claim 57: Cunningham in view of De La Rue discloses the claimed method supra and while not explicitly disclosing the step of updating the processing and statement account records, this step would have been obvious to anyone skilled in the ordinary art at the time of invention so as to have an up to date record of customer activities. If the account records were not updated on a regular basis, a customer could, for example exceed his maximum limit.

Re Claim 58: Cunningham in view of De La Rue discloses the claimed method supra and Cunningham further discloses an eligibility check (Column 2, lines 11-15;

“meet specific criteria”). While not explicitly disclosing wherein the check is to determine whether or not the card has already been activated and what features if any have already been activated, this step would have been obvious to someone skilled in the ordinary art at the time of invention to prevent redundant offers from being sent to customers. If a customer has already activated a particular feature on the transaction card, it would be a waste of time and money to contact them with offers for that same feature. Furthermore, checking on these features will allow the company to solicit appropriate offers to customers since they will have a record of which features the customer does not have as well.

Re Claim 59: Cunningham in view of De La Rue discloses the claimed method supra but does not explicitly disclose the step of offering at least one rebuttal offer for activation of a different feature if an offer for activation of a feature is declined by the customer. However, this step would be obvious to anyone skilled in the ordinary art at the time of invention, so that the company can both inform the customer of all potential features and also maximize their potential revenue. The point of offering multiple features on one card is to claim a larger share of a particular customers financial business. If a company did not provide a counter offer to a customer, should they decline an initial offer, the company could be losing out on revenue from a different feature that the customer would be more inclined to accept.

Response to Arguments

Applicant's arguments filed 3/3/2006 have been fully considered but they are not persuasive.

Applicants main argument is that the references, alone or in combination do not disclose the newly added limitation “wherein information related to each feature is stored on the multi-value card in a machine-readable format, wherein the machine-readable format consists of a magnetic strip, an embossment, visible printing, RFID or any combination of a magnetic strip, an embossment, visible printing and RFID.” Furthermore, applicant argues that the De La Rue reference teaches away from any combination because of the use of microchip technology. Not notwithstanding the new matter issues, the examiner disagrees with this assertion. As is pointed out by the applicant, said microchip technology is in fact a result of emerging technology in the smart card field and is seen as an improvement over the traditional methods as it “increases the ‘value and demand for smart cards’ due to these ‘value added services’ over traditional magnetic stripe card (Remarks page 8).” This is consistent with a substitution of technology or a design choice, and the examiner has held that it would be obvious to revert back to a more simple, and explicitly defined “traditional” technology. It has been held that “Disclosed examples and preferred embodiments do not constitute a teaching away from a broader disclosure or non preferred embodiments,” and further that it cannot be accepted that “the suggestion that one is significantly ‘taught away’ from a ‘particularly preferred embodiment’ by the suggestion (whether true or false) that something else may be even better.” (In re Susi, 169 USPQ 423 (CCPA 1971)). Because De La Rue explicitly discloses the traditional ‘magnetic stripe’ and then offers the microchip technology as a preferred alternative, this does not constitute a teaching away.

Conclusion

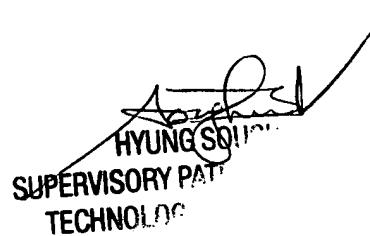
THIS ACTION IS MADE FINAL. Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on 571-272-6799. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



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